

US EPA ARCHIVE DOCUMENT

pursuant to section 112(l) prior to the Subpart E revisions will have had to meet these criteria, and hence, will not be subject to any further approval action.

The EPA believes it has authority under section 112(l) to approve programs to limit potential to emit of HAP directly under section 112(l) prior to this revision to Subpart E. Section 112(l)(5) requires EPA to disapprove programs that are inconsistent with guidance required to be issued under section 112(l)(2). This might be read to suggest that the "guidance" referred to in section 112(l)(2) was intended to be a binding rule. Even under this interpretation, the EPA does not believe that section 112(l) requires this rulemaking to be comprehensive. That is, it need not address all instances of approval under section 112(l). Given the severe timing problems posed by impending deadlines set forth in MACT standards and for submittal of title V applications, EPA believes it is reasonable to read section 112(l) to allow for approval of programs to limit potential to emit prior to issuance of a rule specifically addressing this issue.

EPA proposes approval of Mojave Desert's synthetic minor program pursuant to section 112(l) because the program meets all of the approval criteria specified in the June 28, 1989 **Federal Register** notice and in section 112(l)(5) of the Act. Please refer to the Technical Support Document for a complete discussion of how the June 28, 1989 criteria are met by the Mojave Desert. Regarding the statutory criteria of section 112(l)(5) referred to above, the EPA believes Mojave Desert's synthetic minor program contains adequate authority to assure compliance with section 112 requirements since the third criterion of the June 28, 1989 notice is met: the program does not provide for waiving any section 112 requirement. Sources would still be required to meet section 112 requirements applicable to non-major sources. Furthermore, EPA believes that Mojave Desert's synthetic minor program provides for an expeditious schedule for assuring compliance because it allows a source to establish a voluntary limit on potential to emit and avoid being subject to a federal Clean Air Act requirement applicable on a particular date. Nothing in Mojave Desert's program would allow a source to avoid or delay compliance with a federal requirement if it fails to obtain the appropriate federally enforceable limit by the relevant deadline. Finally, Mojave Desert's synthetic minor program is consistent with the objectives of the section 112 program because its purpose is to enable

sources to obtain federally enforceable limits on potential to emit to avoid major source classification under section 112. The EPA believes this purpose is consistent with the overall intent of section 112, which is to decrease the amount of HAP being emitted; by committing to stay below a certain emission level for HAP, a source with a synthetic minor permit is achieving this goal.

### III. Administrative Requirements

#### A. Request for Public Comments

The EPA is requesting comments on all aspects of this proposed interim approval. Copies of Mojave Desert's submittal and other information relied upon for the proposed interim approval are contained in a docket maintained at the EPA Regional Office. The docket is an organized and complete file of all the information submitted to, or otherwise considered by, EPA in the development of this proposed interim approval. The principal purposes of the docket are:

- (1) To allow interested parties a means to identify and locate documents so that they can effectively participate in the approval process, and
- (2) To serve as the record in case of judicial review. The EPA will consider any comments received by August 2, 1995.

#### B. Executive Order 12866

The Office of Management and Budget has exempted this action from Executive Order 12866 review.

#### C. Regulatory Flexibility Act

The EPA's actions under sections 502, 110, and 112 of the Act do not create any new requirements, but simply address operating permit programs submitted to satisfy the requirements of 40 CFR part 70. Because this action does not impose any new requirements, it does not have a significant impact on a substantial number of small entities.

#### Unfunded Mandates

Under Section 202 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in estimated costs to state, local, or tribal governments in the aggregate; or to the private sector, of \$100 million or more. Under Section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for

informing and advising any small governments that may be significantly or uniquely impacted by the rule.

EPA has determined that the proposed approval action promulgated today does not include a federal mandate that may result in estimated costs of \$100 million or more to either state, local, or tribal governments in the aggregate, or to the private sector. This proposed federal action approves pre-existing requirements under state or local law, and imposes no new federal requirements. Accordingly, no additional costs to state, local, or tribal governments, or to the private sector, result from this action.

#### List of Subjects 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Hydrocarbons, Intergovernmental relations, Lead, Nitrogen dioxide, Ozone, Particulate matter, Sulfur oxides, Volatile organic compounds.

#### 40 CFR Part 70

Administrative practice and procedure, Air pollution control, Environmental protection, Hazardous substances, Intergovernmental relations, Operating permits, Reporting and recordkeeping requirements.

**Authority:** 42 U.S.C. 7401-7671q.

Dated: June 23, 1995.

**David P. Howekamp,**

*Acting Regional Administrator.*

[FR Doc. 95-16276 Filed 6-30-95; 8:45 am]

BILLING CODE 6560-50-P

#### 40 CFR Part 70

[KS-001; AD-FRL-5252-2]

#### Clean Air Act Proposed Full Approval of Operating Permits Program; State of Kansas, and Delegation of 112(l) Authority

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed full approval.

**SUMMARY:** The EPA proposes full approval of the Operating Permits Program submitted by the state of Kansas, for the purpose of complying with Federal requirements for states which develop, and submit to EPA, programs for issuing operating permits to all major stationary sources and to certain other sources. This notice explains EPA's rationale for the proposed action, and identifies several revisions to the program which must be made before EPA can take final action to approve it.

**DATES:** Comments on this proposed action must be received in writing by August 2, 1995.

**ADDRESSES:** Comments should be addressed to Wayne A. Kaiser at the address below. Copies of the Kansas submittal and other supporting information used in developing the proposed rule are available for inspection at the U.S. Environmental Protection Agency, Region VII, Air Branch, 726 Minnesota Avenue, Kansas City, Kansas 66101.

**FOR FURTHER INFORMATION CONTACT:** Wayne A. Kaiser at (913) 551-7603.

#### SUPPLEMENTARY INFORMATION:

### I. Background and Purpose

#### A. Introduction

As required under Title V of the Clean Air Act (the Act") as amended (1990), EPA has promulgated rules which define the minimum elements of an approvable state operating permits program, and the corresponding standards and procedures by which the EPA will approve, oversee, and withdraw approval of state operating permits programs (see 57 FR 32250 (July 21, 1992)). These rules are codified at 40 Code of Federal Regulations (CFR) part 70. Title V requires states to develop, and submit to EPA, programs for issuing these operating permits to all major stationary sources and to certain other sources.

The Act requires that states develop and submit these programs to EPA by November 15, 1993, and that EPA act to approve or disapprove each program within one year after receiving the submittal. The EPA's program review occurs pursuant to section 502 of the Act and the part 70 regulations, which together outline criteria for approval or disapproval. Where a program substantially, but not fully, meets the requirements of part 70, EPA may grant the program interim approval for a period of up to two years. If EPA has not fully approved a program by two years after the November 15, 1993, date, or by the end of an interim period, it must establish and implement a Federal program.

### II. Proposed Action and Implications

#### A. Analysis of Submission by State Authority

##### 1. Support Materials

The Governor of Kansas submitted an administratively and technically complete Title V Operating permit program on December 12, 1994. EPA deemed the program submittal complete in a letter to the governor on January 26, 1995. Comments noting deficiencies in

the Kansas program were sent to the state in a letter dated February 22, 1995. The state responded in letters dated April 7 and April 17, 1995.

The program submittal includes a legal opinion from the Attorney General of Kansas stating that the laws of the state provide adequate legal authority to carry out all aspects of the program, and a description of how the state intends to implement the program. The submittal additionally contains evidence of proper adoption of the program regulations, permit application forms, a data management system, and a permit fee demonstration.

##### 2. Program Description

The Governor's letter states that the entire geography of Kansas will be covered by this program and that the state will not administer the program on any Indian lands. EPA will administer the Title V program on Indian lands in Kansas. The letter also states that the Kansas Department of Health and Environment (KDHE) will be the official permitting authority responsible for implementation of the program. Finally, the letter requests approval and delegation of authority to implement section 112(l) of the Act.

In addition to the state's class I Title V permit rules, the state is establishing a State Implementation Plan (SIP) based permit system for creating Federally enforceable limitations, called the class II permit. This permit mechanism will allow sources to avoid having to obtain a part 70 operating permit. Finally, the state is requiring all air emission sources not qualifying for a class I or class II permit to obtain a class III permit.

The state has been collecting emission fees for two years, which have been used for "ramp-up" activities, including the hiring of additional staff and funding of a Small Business Assistance Program. The state provided a resource demonstration, discussed later, to justify deviating from the presumptive minimum of \$25 per ton, Consumer Price Index (CPI) adjusted. The state is also authorized to collect fees for non-Title V program activities.

##### 3. Regulations and Program Implementation

Except as noted below, the state submittal, including the core operating permit regulations (Kansas Administrative Regulations (K.A.R.) 28-19-500 through 518), meets the requirements of 40 CFR 70.2 and 70.3 with respect to applicability; 40 CFR 70.4, 70.5, and 70.6 with respect to permit content including operational flexibility; 40 CFR 70.5 with respect to

complete application forms and criteria which define insignificant activities; 40 CFR 70.7 with respect to public participation and minor permit modifications; and 40 CFR 70.11 with respect to requirements for enforcement authority.

Areas in which the Kansas program is deficient and corrective action is required prior to full approval are discussed below. Although failure to correct the program would require EPA to disapprove it, Kansas has indicated that it can make the required changes and submit them to EPA. Readers may refer to the Technical Support Document (TSD) accompanying this rulemaking for a detailed explanation of each comment and the corrective actions required of the state.

*a. Rule revisions.* K.A.R. 28-19-7, General provisions; definitions. The state definition of applicable requirement as presently written requires that an SIP or Federal Implementation Plan requirement must be part of the Kansas air quality regulations. The state has SIP requirements, such as source-specific permits, and local agency air regulations, which are applicable requirements but are not in the Kansas air quality regulations. The state has committed to revise K.A.R. 28-19-7(e)(1) to remove this restriction.

Secondly, the applicable requirement definition does not include construction permits issued pursuant to rules K.A.R. 28-19-300, and its predecessor, K.A.R. 28-19-14. The state has committed to add a paragraph (e)(2)(D) to the definition of applicable requirement to correct this omission. These revisions are necessary to meet EPA's definition of applicable requirement in 70.2.

K.A.R. 28-19-511. Class I operating permits; application contents. Paragraph (b) details information which must be included in a permit application. This paragraph must be revised in three areas. First, 511(b)(3) must be revised to clarify that fugitive emissions of regulated pollutants must be included in the permit application. Second, 511(b)(3)(A) must be revised to clarify that the state maintains a list of insignificant activities which does not need to be included on the application form. The state has decided to remove this list from the application forms but maintain it separately. The state must also submit its list of insignificant activities to EPA for approval. And third, 511(b)(16) must be revised to clarify that compliance plans apply to all sources. As written, the rule could be read to apply only to acid rain sources. These revisions are necessary to meet the requirements for applications for



Title V permits in 70.3(d), 70.5(c), 70.5(c)(2), and 70.4(c)(8).

K.A.R. 28-19-512. Class I operating permits; permit content. Rule 512(a)(7) requires that "where a permit contains an emission limitation which is an alternative to an emission limitations contained in" the SIP, the alternative meet certain requirements. Unlike 70.6(a)(1)(iii), this provision is not qualified by the statement that the SIP must expressly allow for alternative limits. The state has committed to revise its rule to meet this requirement. Rule 512(a)(18), pertaining to the terms and conditions for trading of emissions, does not require the source to provide the state and EPA with a seven-day notice as required by 70.4(b)(12)(iii). The state has committed to revise its rule to meet this requirement.

K.A.R. 28-19-518. Class I operating permits; complete applications. Rule 518(a) does not contain a requirement, consistent with 70.7(b)(1), that an application be both "timely" filed and complete. The state has committed to revise this rule to include the "timely" component. Secondly, rule 518(b), pertaining to the determination of a complete application, does not specify what must be included in a permit application in order to be deemed complete. The state has committed to add a statement to the effect that a complete application is one which substantially complies with the requirements of K.A.R. 28-19-511, Class I operating permits; application contents.

### 3. Other issues

K.A.R. 28-19-510. Class I operating permits; application timetable. This rule requires a complete and timely application to be submitted not later than the date specified by the KDHE, as published in the *Kansas Register*, on which the source becomes subject to the permitting program, and for sources operational at the time of the effective date of the operating permit program, no later than the date specified by the KDHE as published in the *Kansas Register*.

As a practical matter, Kansas will be notified by EPA as soon as the anticipated date of publication of program approval in the **Federal Register** becomes known. Kansas has committed to publishing its application schedule in the *Kansas Register* within the 30-day period preceding the effective date of the program. Thus, the state will have the full year in which to receive applications. Kansas has provided a sample *Kansas Register* notice which contains the draft application schedule. Kansas plans to

request applications in a staggered, three-tiered, SIC code-based approach, which ensures that all applications are received within one year of program approval pursuant to 70.5(a). EPA concurs with this approach.

K.A.R. 28-19-513. Class I operating permits; permit amendment, modification, or reopening and changes not requiring a permit action. 70.7(d)(1)(v) states that part 70 permit revisions which incorporate the provisions of preconstruction permits may be accomplished through the administrative amendment process, but only if the preconstruction permit is issued under an EPA-approved program covering the relevant procedural requirements substantially similar to those in part 70. K.A.R. 28-19-513(a)(1)(E) includes a similar provision. However, the Kansas preconstruction program does not contain procedures substantially similar to the relevant part 70 procedures and has not been approved by EPA. The Kansas Attorney General, in his April 7, 1995, supplemental opinion, has stated that the K.A.R. 513(a)(1)(E) provision cannot be used to administratively amend permits, until EPA approves revisions to the Kansas New Source Review program incorporating the relevant part 70 procedural requirements. Therefore, EPA believes this provision is approvable. Implementation Agreement (I.A.)

The state has elected to include in an I.A., rather than regulation, time lines for state action on a number of provisions relating to permit processing. EPA believes that since most of the deadlines to be established in the I.A. are for the benefit of EPA, the deadlines may be in the I.A. rather than the regulation.

The state has committed to a schedule for adopting and submitting the required rule revisions, for submitting its insignificant activities list to EPA for approval, and has committed to finalizing an I.A. with EPA which contains certain commitments and information which EPA considers necessary for approval. If the state revises the submission to correct the deficiencies as described in this notice and no other program deficiencies are identified during the comment period which preclude full approval, EPA's final action will be one of full approval. Otherwise, EPA will confer disapproval.

### 4. Fee Demonstration

The state provided a detailed fee demonstration because the emissions fee, \$20 per ton, is below the presumptive minimum of \$25 plus CPI. The KDHE provided a list of sources

and the estimated actual and potential emissions from each source with a projected total revenue. This estimate adequately covers the program's anticipated operating costs if the \$20 fee is maintained. If this fee is reduced, an additional demonstration will be required. A four-year estimate of resources and costs was also submitted. The state has provided for separate cost accounting procedures to ensure that fees collected are used solely for the part 70 program. The state commits to conducting periodic auditing reports and providing copies to EPA.

### 5. Provisions Implementing the Requirements of Other Titles of the Act

*a. Authority and/or commitments for section 112 implementation.* Kansas has demonstrated in its program submittal adequate legal authority to implement and enforce all section 112 requirements through the Title V permit.

This legal authority is contained in Kansas' enabling legislation and in regulatory provisions defining "applicable requirements," and states that the permit must incorporate all applicable requirements. EPA has determined that this legal authority is sufficient to allow Kansas to issue permits that ensure compliance with all section 112 requirements. EPA is interpreting the above legal authority to mean that Kansas is able to carry out all section 112 activities. For further rationale on this interpretation, please refer to the TSD accompanying this rulemaking and the April 13, 1993, guidance memorandum titled "Title V Program Approval Criteria for Section 112 Activities," signed by John Seitz.

*b. Section 112 (g)—Case-by-Case Maximum Achievable Control Technology (MACT) For Modified/Constructed and Reconstructed Major Toxic Sources.* The EPA issued an interpretive notice on February 14, 1995 (60 FR 8333), which outlines EPA's revised interpretation of 112(g) applicability. The notice postpones the effective date of 112(g) until after EPA has promulgated a rule addressing that provision. The notice sets forth in detail the rationale for the revised interpretation.

The section 112(g) interpretive notice explains that EPA is still considering whether the effective date of section 112(g) should be delayed beyond the date of promulgation of the Federal rule so as to allow states time to adopt rules implementing the Federal rule, and that EPA will provide for any such additional delay in the final section 112(g) rulemaking. Unless and until EPA provides for such an additional postponement of section 112(g), Kansas

must have a Federally enforceable mechanism for implementing section 112(g) during the period between promulgation of the Federal section 112(g) rule and adoption of implementing Federal regulations.

The EPA is aware that Kansas lacks a program designed specifically to implement section 112(g). However, Kansas does have a program for review of new and modified hazardous air pollutant sources that can serve as an adequate implementation vehicle during the transition period, because it would allow Kansas to select control measures that would meet MACT, as defined in section 112, and incorporate these measures into a Federally enforceable preconstruction permit.

EPA is approving Kansas' preconstruction permitting program under the authority of Title V and part 70, solely for the purpose of implementing section 112(g) to the extent necessary during the transition period between 112(g) promulgation and adoption of a state rule implementing EPA's section 112(g) regulations. Although section 112(l) generally provides authority for approval of state air programs to implement section 112(g), Title V and section 112(g) provide for this limited approval because of the direct linkage between the implementation of section 112(g) and Title V. The scope of this approval is narrowly limited to section 112(g) and does not confer or imply approval for purposes of any other provision under the Act (e.g., section 110). This approval will be without effect if EPA decides in the final section 112(g) rule that sources are not subject to the requirements of the rule until state regulations are adopted. The duration of this approval is limited to 18 months following promulgation by EPA of the 112(g) rule to provide adequate time for the state to adopt regulations consistent with the Federal requirements.

*c. Section 112(l)—State Air Toxics Programs.* Requirements for approval, specified in 40 CFR 70.4(b), encompass section 112(l)(5) approval requirements for delegation of section 112 standards as promulgated by EPA as they apply to part 70 sources. Section 112(l)(5) requires that the state's program contain adequate authorities, adequate resources for implementation, and an expeditious compliance schedule, which are also requirements under part 70. Kansas has demonstrated that it meets these requirements. Therefore, the EPA is proposing to grant approval under section 112(l)(5) and 40 CFR 63.91 to Kansas for its program mechanism for receiving delegation of all existing and

future section 112(d) standards for both part 70 and non-part 70 sources, and section 112 infrastructure programs, that are unchanged from Federal rules as promulgated. Kansas has informed EPA that it intends to accept delegation of section 112 standards through adoption by reference. In addition, EPA is also proposing delegation of all existing standards and programs under 40 CFR Parts 61 and 63 for part 70 and non-part 70 sources.

Kansas also requested that the program approval under 112(l) include its pre-1990 amendments' National Emission Standard for Hazardous Air Pollutants' program, and approval of its program to regulate asbestos, Part 61, subpart M. Our proposed approval covers the entire Kansas program under 112(l).

*d. Title IV/Acid Rain.* The legal requirements for approval under the Title V operating permits program for a Title IV program were cited in EPA guidance distributed on May 21, 1993, titled "Title V-Title IV Interface Guidance for States." Kansas has met the criteria of this guidance and has adopted by reference acid rain rules at 40 CFR part 72.

#### *B. Proposed Actions*

##### *1. Full Approval*

EPA is proposing to grant full approval contingent upon: first, the state adopting and submitting the revisions to: (1) K.A.R. 28-19-7, General Provisions; definitions, (2) K.A.R. 28-19-511, Class I operating permits; applications contents, (3) K.A.R. 28-19-512, Class I operating permits; permit content, (4) K.A.R. 28-19-518, Class I operating permits, complete applications; second, the state submitting its insignificant activities list to EPA for approval; and third, finalization of an I.A. with EPA.

##### *2. Program for Straight Delegation of Section 112 Standards*

As discussed above, EPA is proposing to grant approval under section 112(l)(5) and 40 CFR 63.91 to Kansas for its program mechanism for receiving delegation of all existing and future section 112(d) standards for both part 70 and non-part 70 sources, and infrastructure programs under section 112 that are unchanged from Federal rules as promulgated. In addition, EPA proposes to delegate existing standards under 40 CFR Parts 61 and 63 for both part 70 and non-part 70 sources.

### **III. Administrative Requirements**

#### *A. Request for Public Comments*

The EPA is requesting comments on all aspects of this proposed rule. Copies of the state's submittal and other information relied upon for the proposed approval are contained in a docket maintained at the EPA Regional Office. The docket is an organized and complete file of all the information submitted to, or otherwise considered by, EPA in the development of this proposed rulemaking. The principal purposes of the docket are:

1. To allow interested parties a means to identify and locate documents for participating in the rulemaking process, and
2. To serve as the record in case of judicial review. The EPA will consider any comments received by August 2, 1995.

#### *B. Executive Order 12866*

The Office of Management and Budget has exempted this regulatory action from Executive Order 12866 review.

#### *C. Regulatory Flexibility Act*

EPA's actions under section 502 of the Act do not create any new requirements, but simply address operating permits programs submitted to satisfy the requirements of 40 CFR part 70. Because this action does not impose any new requirements, it does not have a significant impact on a substantial number of small entities.

#### *D. Unfunded Mandates*

Under Sections 202, 203, and 205 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must undertake various actions in association with proposed or final rules that include a Federal mandate that may result in estimated costs of \$100 million or more to the private sector, or to state, local, or tribal governments in the aggregate.

Through submission of this state operating permit program the state and any affected local or tribal governments have elected to adopt the program provided for under Title V of the Clean Air Act. These rules may bind state, local, and tribal governments to perform certain actions and also require the private sector to perform certain duties. To the extent that the rules being proposed for approval by this action will impose new requirements, sources are already subject to these regulations under state law. Accordingly, no additional costs to state, local, or tribal governments, or to the private sector, result from this action. EPA has also



determined that this proposed action does not include a mandate that may result in estimated costs of \$100 million or more to state, local, or tribal governments in the aggregate or to the private sector.

#### List of Subjects in 40 CFR Part 70

Environmental protection, Administrative practice and procedure, Air pollution control, Intergovernmental relations, Operating permits, Reporting and recordkeeping requirements.

**Authority:** 42 U.S.C. 7401—7671q.

Dated: June 22, 1995.

**Dennis Grams,**

*Regional Administrator.*

[FR Doc. 95-16277 Filed 6-30-95; 8:45 am]

BILLING CODE 6560-50-P

## DEPARTMENT OF DEFENSE

### 48 CFR Parts 206 and 207

#### Defense Federal Acquisition Regulation Supplement; Class Justifications and Approvals

**AGENCY:** Department of Defense (DoD).

**ACTION:** Proposed rule with request for comment.

**SUMMARY:** The Director of Defense Procurement is proposing to amend the Defense Federal Acquisition Regulation Supplement (DFARS) to provide guidance regarding the use of class justifications and approvals for other than full and open competition.

**DATES:** Comments on the proposed rule should be submitted in writing to the address shown below on or before September 1, 1995, to be considered in the formulation of the final rule.

**ADDRESSES:** Interested parties should submit written comments to: Defense Acquisition Regulations Council, Attn: Mr. R.G. Layser, PDUSD (A&T) DP (DAR), IMD 3D139, 3062 Defense Pentagon, Washington DC 20301-3062. Telefax number (703) 602-0350. Please cite DFARS Case 95-D009 in all correspondence related to this issue.

**FOR FURTHER INFORMATION CONTACT:** Mr. R.G. Layser, (703) 602-0131.

#### SUPPLEMENTARY INFORMATION:

##### A. Background

This proposed rule implements a recommendation of the Department of Defense Procurement Process Reform Process Action Team.

Subsection 6.303-1 of the Federal Acquisition Regulation permits execution of justifications and approvals for other than full and open competition on an individual or class basis. This

proposed rule expands DoD guidance on class justifications and approvals to state class justifications may provide for award of multiple contracts extending across more than one program phase.

#### B. Regulatory Flexibility Act

This proposed rule is not expected to have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, because the use of class justifications and approvals is already permitted by the Federal Acquisition Regulation. This rule merely expands DFARS guidance to address the use of class justifications and approvals for multiple contracts extending across more than one program phase. An Initial Regulatory Flexibility Analysis has therefore not been performed. Comments are invited from small businesses and other interested parties. Comments from small entities concerning the affected DFARS subparts will also be considered in accordance with Section 610 of the Act. Such comments must be submitted separately and cite DFARS Case 95-D009 in correspondence.

#### C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because this proposed rule does not impose any new information collection requirements which require the approval of OMB under 44 U.S.C. 3501, *et seq.*

#### List of Subjects in 48 CFR 206 and 207

Government procurement.

**Michele P. Peterson,**

*Executive Editor, Defense Acquisition Regulations Council.*

Therefore, 48 CFR Parts 206 and 207 are proposed to be amended as follows:

1. The authority citation for 48 CFR Parts 206 and 207 is revised to read as follows:

**Authority:** 41 U.S.C. 421 and 48 CFR Chapter 1.

#### PART 206—COMPETITION REQUIREMENTS

2. Section 206.303-1 is amended by adding paragraph (c) to read as follows:

##### 206.303-1 Requirements.

\* \* \* \* \*

(c) When conditions warrant, a class justification may provide for award of multiple contracts extending across more than one program phase.

#### PART 207—ACQUISITION PLANNING

3. Section 207.102 is added to read as follows:

#### 207.102 Policy.

When a class justification for other than full and open competition has been approved, planning for competition shall be accomplished consistent with the terms of that approval.

[FR Doc. 95-16161 Filed 6-30-95; 8:45 am]

BILLING CODE 5000-04-M

### 48 CFR Part 225

#### Defense Federal Acquisition Regulation Supplement; Tank and Automotive Forging Items

**AGENCY:** Department of Defense (DoD).

**ACTION:** Proposed rule with request for comment.

**SUMMARY:** The Director of Defense Procurement is proposing to amend the Defense Federal Acquisition Regulation Supplement (DFARS) to add an exception to the foreign source restrictions on the acquisition of forgings.

**DATES:** Comments on the proposed rule should be submitted in writing to the address shown below on or before September 1, 1995 to be considered in the formulation of the final rule.

**ADDRESSES:** Interested parties should submit written comments to: Defense Acquisition Regulations Council, Attn: Ms. Amy Williams, PDUSD(A&T)DP(DAR), IMD 3D139, 3062 Defense Pentagon, Washington DC 20301-3062. Telefax number (703) 602-0350. Please cite DFARS Case 95-D003 in all correspondence related to this issue.

**FOR FURTHER INFORMATION CONTACT:** Ms. Amy Williams, (703) 602-0131.

#### SUPPLEMENTARY INFORMATION:

##### A. Background

DFARS Subpart 225.71 contains foreign product restrictions which are based on policies designed to protect the defense industrial base. DFARS 225.7102 requires that certain categories of tank and automotive forging items be acquired from domestic sources to the maximum extent practicable. The policy in DFARS 225.7102 does not apply to acquisitions of forgings used for commercial vehicles or noncombat support military vehicles.

This proposed rule excludes forgings purchased as tank and automotive spare parts from the foreign source restrictions of DFARS 225.7102, except when it is known that the parts are for use in tanks only. This exclusion is needed to eliminate the potentially significant administrative burden of screening tank and automotive forging items purchased